(b) whether such banks have their own rules relating to grant of various loans to MPs or Government have issued any such instructions to these banks in this regard;

(c) if so, the details of such instructions; and

(d) if not, what action Government propose to take in this matter?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No specific instance has been brought to the notice of the Government.

(b) and (c) RBI has advised the Banks to prepare well defined Loan Policy and Loan Recovery Policy approved by their Board of Directors. The Loan Policy is required to lay down exposure limit to individuals/ Group of borrowers, documentation standards, sectoral exposure limits, delegation of powers including power for write offs and review procedure, maturity and pricing policy, factors taken into consideration for deciding interest rates above the floor rate, etc. Bank Officials are expected to act within their Loan/Recovery Policy. The loan applications are processed by the Banks based on pre-defined criteria and there is no discrimination based on profession of prospective customers/borrowers.

(d) Does not arise.

Perks and Pay to Actuaries working with LIC

*299. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether the LIC is facing the threat of poaching of its actuaries by rival private players in Insurance Sector;

(b) if so, whether LIC plans to introduce additional perks and pay to actuaries working with it; and

(c) whether the LIC alongwith GIC proposes to set up its-own actuarial training institute, to ensure availability of fellows of the society on service bond?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) LIC has informed that it has been experiencing attrition in its cadre of Actuaries after the opening up of Insurance Sector;

(b) LIC has already introduced a scheme of incentives for those who are actuarially qualified and doing related jobs.

(c) No, Sir.